

INFORMATION ON
PERMANENT CHANGE OF STATION (PCS)
MOVE ENTITLEMENTS
AND
THIRD PARTY RELOCATION SERVICES

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PERMANENT CHANGE OF STATION MOVE ENTITLEMENTS

The following is a brief summary of entitlements that may be reimbursed in connection with a permanent change of station (PCS) move. **This summary covers employees currently working for the Federal Government transferring a distance of 50 miles or more within the Department of Commerce.** If you do not fit into this category or if you are a member of a family in which two or more federally employed members are transferring to the same duty station, or duty stations in close proximity, please contact the person listed on the cover sheet of this package.

Generally, all travel, including that for the immediate family, and transportation, including that for household goods, allowed under the Federal Travel Regulations shall be accomplished as soon as possible. The maximum time for beginning allowable travel and transportation shall not exceed two years from the effective date of the employee's transfer or appointment. The two-year period shall be extended for an additional period of time not to exceed one year when the two-year time limitation for completion of residence transactions is extended through administrative approval.

If you are eligible to sell your residence under these entitlements, there are two methods of disposition (or sale) of your residence. You may chose one of two methods: (1) the conventional method where you market your residence and claim allowable expenses on a travel voucher, or (2) you may sign up for Third Party Relocation Services where a third party contractor purchases your residence (see pages 12 and 18).

1. HOUSE-HUNTING TRIP

A house-hunting trip is not allowed under the following circumstances:

- (1) When an employee will be assigned to Government or other prearranged residence quarters at the new official station; or
- (2) When the employee has not yet formally agreed to transfer to the new station; or
- (3) When the map distance between the old and new stations is less than 75 miles via a usually traveled surface route.

- (4) When either the old or new duty stations, or both, are located outside the United States (United States means the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the territories and possessions of the United States, and the areas and installations in the Republic of Panama.effective 5/28/99)

Payment of travel and transportation expenses is allowed for an employee and spouse traveling together, or the employee or spouse traveling individually (other dependents are not entitled to a house-hunting trip), for one round trip each between the old and new official stations to seek permanent residence quarters, if authorized by an appropriate official. The trip is limited to 10 calendar days, including travel time.

A househunting trip should not take place until you are issued travel orders authorizing the trip.

Separate round trips by the employee and spouse may be allowed provided the overall cost to the Government is limited to the cost of one round trip for the employee and spouse traveling together. The allowances are:

- (1) Round-trip transportation for employee and spouse or a mileage allowance as shown below when POV (privately-owned vehicle) is authorized.

Number of occupants in POV:

Employee	15 cents
Employee and Spouse	17 cents

- (2) Per diem for a maximum of 10 days for employee and spouse. (See Travel to New Post of Duty below for computation of per diem for employee and spouse.)

The applicable per diem rate for househunting trip within CONUS is the locality rate as prescribed under FTR 301-7.3. The Bureau approving officials may prescribe the standard CONUS rate if it determines that establishment of such lower rate is advantageous to the Government. This rate, locality or standard, should be stated on the travel order. (Effective 12/27/96)

NOTE: Contact the authorizing official to determine if a house-hunting trip will in any way affect your eligibility or length of temporary quarters. Some bureaus do not allow

both temporary quarters and a house-hunting trip. Generally, the taking of a house-hunting trip will greatly reduce, or avoid altogether, the need for temporary quarters.

2. TRAVEL TO NEW POST OF DUTY

a. Lower 48 states en route per diem.

- (1) Per diem is based on the basis of actual time used to complete the trip. If the traveler does not drive an average of 300 miles per calendar day, the per diem will be reduced.
- (2) Per diem en route: Per diem allowances for employee while en route will be based on the single night lodging rate not to exceed \$55 plus \$30 M&IE, with the daily amount not to exceed \$85 per day.(effective 1/1/00)

On the day of departure and the day travel ends, the M&IE rate shall be three-fourths of the applicable per diem rate. (effective 12/27/96)

When the spouse accompanies the employee, he/she will be entitled to 3/4 of the per diem rate to which the employee is entitled. Also, each member of the employee's immediate family 12 years or older, accompanying the employee, will be entitled to 3/4 of the per diem rate authorized for the employee, and for each child under 12 years of age, 1/2 of the per diem to which the employee is entitled.

Per diem is not allowed when the total travel period is 12 hours or less within the same calendar day.

When the travel period is more than 12 hours, but less than 24 hours, and lodging is not required, the per diem allowable for the employee will be three-fourths of the applicable per diem rate. (effective 12/27/96)

- ### **b. Outside the lower 48 states en route per diem.**
- The rules for determining PCS per diem entitlement for outside the lower 48 states travel are the same as for temporary duty travel addressed in the Federal Travel Regulations. Any portion of the travel performed

within the lower 48 states is subject to the rules defined above.

c. **Privately owned vehicle.** Only one privately owned vehicle (POV) can be authorized except under the following circumstances:

- (1) If there are more members of the immediate family than can reasonably be transported with luggage in one vehicle; or
- (2) If because of age or physical condition, special accommodations are necessary in transporting a member of the immediate family in one vehicle and a second automobile is required for travel of other members of the immediate family; or
- (3) If an employee must report to the new official station in advance of travel by members of the immediate family who delay travel for acceptable reasons such as completion of school term, sale of property, settlement of personal business affairs, disposal or shipment of household goods, and temporary unavailability of adequate housing at the new official station; or
- (4) If a member of the immediate family performs unaccompanied travel between authorized points other than those for the employee's travel; or
- (5) If, in advance of the employee's reporting date, immediate family members must travel to the new official station for acceptable reasons such as to enroll children in school at the beginning of the term.

Mileage allowances are as follows:

<u>Occupants of Automobile</u>	<u>Mileage Rate (cents)</u>
Employee only, or one member of immediate family	15
Employee and one member, or two	17

Employee and two members, or three
members of immediate family

3. TRANSPORTATION AND TEMPORARY STORAGE OF HOUSEHOLD GOODS

If you are authorized the actual expense method but choose to move yourself, reimbursement will be limited to the actual costs incurred (e.g., truck rental, material handling equipment, packaging materials, gasoline, tool charges, etc.), supported by receipts, not to exceed the maximum amount that would have been paid on the GBL. Official weight certificates establishing the gross and tare weight will be required along with all receipts for the actual expenses when submitting the travel voucher for payment.

- b. **Commuted Rate Method.** Under the commuted rate system, the employee makes the carrier selection and arranges for transportation and storage. The employee pays the costs and files for reimbursement, which is based on the Commuted Rate Schedule. The employee must provide a bill of lading and weight certificate for services provided by the commercial carrier or a weight certificate showing gross and tare weight of the vehicle when rental trucks/trailers are used. **Once again, this method of moving your household goods must be authorized in advance by your agency. Do not make the assumption that you have the authorization until you have received travel orders clearly specifying the commuted rate method.**
- c. **Temporary Storage.** In addition to the allowance for transportation of household goods and personal effects, a transferred employee is entitled to temporary storage of the transported goods. Maximum time allowable for temporary storage is limited to 90 days. However, under certain circumstances, this initial 90-day period may be extended with proper approval by an additional period not to exceed 90 days.

4. **NON-TEMPORARY STORAGE OF HOUSEHOLD GOODS**

- a. **Lower 48 states.** Nontemporary Storage (storage in excess of 90 days, or 180 days if authorized) of household goods is reserved only for those individuals assigned to locations within the lower 48 states that have been designated as isolated official stations by the head of the Bureau. An isolated official station is a place of permanent duty assignment at which an employee has no alternative except to live where he/she is unable to use their household goods because:
 - (1) The type of quarters the employee **is required** to occupy will not accommodate the household goods, or
 - (2) Because of size and other characteristics of each employee's immediate family, residence quarters which would accommodate the household goods are

not available within reasonable daily commuting distance of the official station.

- b. **Outside the lower 48 states.** Non-temporary storage may be allowed for those individuals stationed or transferred to an official station other than one located in the lower 48 states under the following conditions:

- (1) The official station is one to which the individual is not authorized to take or at which they are unable to use the household goods; or
- (2) The storage is authorized in the public interest; or
- (3) The estimated cost of storage would be less than the cost of round trip transportation (including temporary storage) of the household goods to the new official station.

5. **SHIPMENT OF PRIVATELY OWNED VEHICLE**

- a. The transportation of **one privately owned vehicle** which is in the possession of and used by the employee or his/her immediate family for the primary purpose of providing personal transportation may be approved under the following conditions:

Authorized as being in the interest of the Government for the employee to have the use of the vehicle and only if all of the following conditions are present:

- (a) Use of POV contributes to effectiveness in the job and is not primarily for convenience of the employee or immediate family.
- (b) Local conditions make it desirable from the Government's viewpoint for the employee to have use of a POV.
- (c) Type of POV is suitable for the local conditions of the official station.

- (d) Cost of shipping to and from official duty station is not considered excessive considering agreed period of service at that location.
- b. **Restriction of vehicle types.** Vehicles that may be transported include passenger automobiles, station wagons and certain small trucks or other similar vehicles which may be used primarily for personal transportation and considered as appropriate for use in the area of assignment. Trailers, airplanes, or vehicles intended for commercial use are prohibited.
- c. **Size limit.** Limited to vehicles having a gross size of not more than 20 measurement tons (800 cubic feet). Shipment of a larger vehicle may be authorized if it otherwise qualifies, but the employee bears the additional expense.
- d. **When it is feasible to drive a vehicle.** When a privately owned vehicle may be driven on hard-surfaced, all weather highways, using ferries as necessary, for all or part of the distance between origin and destination, the authorizing official may determine that it is reasonable to expect the employee or a family member to drive the privately owned vehicle for that distance. In case of such a determination, the Government will pay transportation charges to the extent driving the privately owned vehicle was not required.
- e. The use of a rental vehicle while waiting for delivery of POV is not reimbursable.

6. **TRANSPORTATION OF MOBILE HOMES AND BOATS**

An employee who certifies that a mobile home or boat is for use as a permanent residence at the new duty station and who would otherwise be entitled to transportation of household goods is entitled to an allowance for the transportation of that mobile home or boat. The total allowance shall not exceed the maximum entitlement for transportation and 90-days temporary storage of household goods. There is no additional allowance for a separate shipment of household goods.

MOBILE HOME

The mobile home may be transported by the Government via GBL, by a commercial carrier hired by the employee or towed by the employee with a privately owned vehicle. In all cases, allowable mileage is determined by standard highway mileage guides, unless any substantial deviations are satisfactorily explained. If the employee elects to tow the mobile home, an allowance of 11 cents per mile shall be made as reimbursement for all transportation costs, including ferry fares, tolls, and similar charges. In addition, costs of preparing a mobile home for movement and resettling it at the destination may be reimbursed. No other allowance shall be made for transportation of the mobile home under this part, but payment of the mileage allowance for use of a POV may be made in addition to the 11-cent allowance.

If the trailer is towed by a commercial transporter, you may be allowed the carrier's charges for actual transportation of the mobile home in an amount not exceeding the applicable approved tariffs for movement of a mobile home of its size and type for the distance involved. In addition, you will also be allowed ferry fares; and bridge, road, and tunnel tolls; taxes, charges or fees fixed by a state or municipal authority for permits to transport mobile homes in or through its jurisdiction; carrier's service charges for obtaining necessary permits; and charges for a pilot (flag) car or escort services, when such services are required by state or local law.

You are not allowed costs for replacement parts, tire purchases, structural repairs, brake repairs, or any repairs or maintenance performed; storage expenses; insurance for valuation of mobile homes above carrier's maximum responsibility; charges designated in tariffs as "Special Services" as part of the transportation expense; or costs of connecting and disconnecting appliances, equipment, and utilities involved in the relocation of mobile homes.

Allowable expenses (when mobile home is transported by GBL or commercial carrier):

- a. Transportation charges;
- b. Ferry fares/tolls;

- c. Cost of permits;
- d. Carrier's charge for obtaining permits;
- e. Rental fee for temporary lights; and
- f. Fees for pilot or escort vehicle.
- g. Costs of preparing a mobile home for movement and resettling it at the new destination, including:
 - (1) Costs of blocking and unblocking;
 - (2) Labor costs of removing and installing skirting;
 - (3) Costs of separating, preparing, sealing, and reassembly of each section; and
 - (4) Travel lift fees.

BOAT USED AS PRIMARY RESIDENCE

When a boat used as a primary residence is transported over water, an allowance for transportation costs shall include the following:

- a. Cost of fuel and oil used for propulsion of the boat;
- b. Cost of pilots or navigators in the open water;
- c. Cost of a crew;
- d. Charges for harbor pilots;
- e. Cost of docking fees incurred in transit;
- f. Harbor or port fees and similar charges relating to entry in and navigation through ports; and
- g. Cost of towing, whether in tow or towing by pushing from behind.

7. SUBSISTENCE WHILE OCCUPYING TEMPORARY QUARTERS

An administrative determination as to whether the occupancy of temporary quarters is necessary and the length of time for occupancy shall be made on a case-by-case basis. Temporary quarters and the length of time for occupancy shall be authorized in advance on the travel order. The travel order must be amended to authorize all extensions of time in temporary quarters. Justification for allowing temporary quarters at other than the old and/or new official station must be shown on the travel order.

- a. Subsistence expenses for the employee and each member of the employee's immediate family may be authorized for a period of not more than 60 consecutive days. For any day that the employee or any member of the immediate family occupies temporary quarters, a day of entitlement has expired for the employee and all family members. Up to 60 days may be authorized by the Travel Order authorizing official.
- b. Temporary quarters in excess of 60 days for "compelling reasons" beyond the employee's control, and acceptable to the agency, may be authorized by the bureau head or the head of an operating unit or his/her designee. The total period of time in temporary quarters shall not exceed 120 days under any circumstances. A "compelling reason" is an event that is beyond your control and is acceptable to your agency. Examples include, but are not limited to:
 - (a) Delivery of your household goods to your new residence is delayed due to strikes, customs clearance, hazardous weather, fires, floods or other acts of God, or similar events.
 - (b) You cannot occupy your new permanent residence because of unanticipated problems(e.g.,delay in settlement on the new residence, or short-term delay in construction of the residence).
 - (c) You are unable to locate a permanent residence which is adequate for your family's needs because of housing conditions at your new official station.
 - (d) Sudden illness, injury, or death of employee or immediate family member.

Generally, the following are NOT considered compelling reasons:

- (a) Poor housing market (as opposed to inadequate housing conditions).
- (b) General economic conditions of the old or new official duty station.
- (c) Personal financial concerns of the employee, e.g., a desire to receive a reimbursement or capital gain in a different tax year.
- (d) Inability, for whatever reason, to sell residence.

- c. **Itemization and receipts.** The actual expenses incurred while occupying temporary quarters shall be itemized on Form CD-372, Expense Record for Temporary Quarters. The CD-372 must be attached to the CD-370, Travel Voucher. Allowable subsistence expenses include meals, lodging, fees and tips incident to meals and lodging, laundry, and cleaning and pressing of clothing. Receipts are required for all lodging expenses and for laundry and cleaning expenses, except when coin-operated facilities are used.
- d. When the temporary lodging is obtained from friends or relatives, the details (dates and locations) must be shown on the CD-372, whether or not payment is made. If payment of rent is made to friends/relatives, the amount must be reasonable. It must be directly related to the actual additional incremental costs incurred by the friend/relative providing lodgings to the employee, and be considerably less than commercial rates. What is reasonable depends on the circumstances. Factors to be considered include the number of individuals staying with the friend/relative and whether the friend/relative hired extra help. The burden is on the employee to supply the necessary information. It is not sufficient to show merely that the amount claimed is less than commercial rates or the maximum allowable. Despite per diem allowances, meal costs must be reasonable. Employees occupying temporary quarters are

expected to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business.

e. **Maximum reimbursement.**

- (1) The maximum which may be reimbursed for temporary quarters subsistence expenses shall be the actual amount of allowable expenses incurred for each 30-day period or portion of the 30-day period that temporary quarters were occupied not to exceed the maximum amount based on the applicable daily rate prescribed, multiplied by the number of days that temporary quarters were occupied. Expenses will be allowed to the extent they are determined to be reasonable.
- (2) The cost of meals and incidental expenses will be considered reasonable if the total cost does not exceed 45 percent of the prescribed maximum subsistence amount for each 30-day period or portion of the 30-day period that temporary quarters were occupied. In such cases, receipts for meals or groceries are not required. Under unusual circumstances, a total cost in excess of 45 percent may be allowed if adequate justification is submitted by the employee. However, the employee's claim must show which meals were taken in temporary quarters and which meals were taken in restaurants and include receipts for groceries and restaurant meals. Justification must also include evidence of the reasonable cost of groceries purchased in the location of the temporary quarters and evidence of the reasonable cost of restaurant meals in the location of the temporary quarters.

f. **Reimbursement limitations for temporary quarters in the lower 48 states are as follows** (for rates outside the lower 48 states, please contact the person listed on the cover sheet):

First 30-Day Period (without 45% cap)

Employee or spouse unaccompanied by employee	\$85.00
Accompanied spouse (3/4 of employee's daily rate)	\$63.75
Each other family member 12 years or older (3/4 of employee/unaccompanied spouse rate)	\$63.75
Each family member under 12 years (1/2 employee/unaccompanied spouse rate)	\$42.50

Second 30-Day Period and Additional 60 Days, if Authorized
(without 45% cap)

Employee or unaccompanied spouse	\$63.75
Accompanying spouse	\$42.50
Each other family member 12 years or older	\$42.50
Each family member under 12 years	\$34.00

- g. **Transfer to foreign area.** When the new official station is located in a foreign country, the employee is not eligible for temporary quarters allowances under these regulations. When temporary lodgings are obtained in a foreign area or in the United States prior to transferring to a foreign country, the employee may be eligible for an allowance under the Standardized Regulations (Government Civilians, Foreign Areas) prescribed by the Department of State.

8. MISCELLANEOUS MOVING ALLOWANCES

- a. An allowance for miscellaneous moving expenses is payable for the purpose of defraying various contingent costs associated with discontinuing a residence at one location and establishing a residence at a new location. The allowance is \$350 or the equivalent of 1 week basic pay, whichever is the lesser, for an employee without an immediate family or \$700 or equivalent of 2 weeks basic pay, whichever is the lesser, for an employee with an immediate family. These amounts are paid without documentation.
- b. Allowances in excess of \$350 or \$700 may be authorized or approved, if supported by acceptable statements of fact and either paid bills or other acceptable evidence justify the amount. The aggregate amount may not exceed one week's basic pay for an employee without an

immediate family or two weeks' basic pay for an employee with an immediate family. The amount authorized or approved cannot exceed the maximum pay of a GS-13. Documentation and/or receipts will be required for the entire amount claimed. Refer to FTR 302.3 for general information on what may or may not be claimed under this method.

9. SALE AND PURCHASE OF RESIDENCE

To be eligible for real estate reimbursement, the old and new official stations must be located within the 50 states, in the District of Columbia, the territories and possessions of the United States, the Commonwealth of Puerto Rico, or the areas and installations in the Republic of Panama made available to the United States under the Panama Canal Treaty of 1977.

The settlement dates for the sale and purchase or lease termination transactions for which reimbursement is requested are not later than two years after the date the employee reported for duty at the new official station. Upon an employee's written request, the two-year time limitation for completion of the sale and purchase or lease termination transactions may be extended by the head of the agency or his/her designee for an additional period of time not to exceed one year.

a. Reimbursable Real Estate Expenses Under Direct Real Estate Reimbursement.

Below is a partial list of items that can be reimbursed in connection with sale and/or purchase of a residence.

- (1) FHA or VA fee for the loan application.
- (2) Loan origination fees and similar charges such as loan assumption fees and loan transfer fees. A loan origination fee is a fee paid by the borrower to compensate the lender for administrative-type expenses incurred in originating and processing a

loan. Reimbursement for a loan assumption fee or a loan transfer fee, or a similar charge, may also be allowed if it is assessed in lieu of a loan origination fee and reflects charges for services similar to those covered by a loan origination fee. An employee may be reimbursed for these fees in an amount not in excess of 1 percent of the loan amount without itemization of the lender's administrative charges. Reimbursement may exceed 1 percent only if the employee shows by clear and convincing evidence that: (1) the higher rate does not include prepaid interest, points, or a mortgage discount; and (2) the higher rate is customarily charged in the locality where the residence is located.

- (3) Cost of preparing credit reports.
- (4) Mortgage and transfer taxes.
- (5) State revenue stamps.
- (6) Other fees and charges similar in nature to those listed above, unless specifically prohibited.
- (7) Mortgage title insurance policy paid for by the employee on a residence purchased by the employee for the protection of, and required by the lender.
- (8) Expenses in connection with construction of a residence, which are comparable to expenses that are reimbursable in connection with the purchase of an existing residence.
- (9) Attorney's fees when they are reasonable and customary. Legal fees arising from litigation on the sale or purchase of a residence are not allowed.
- (10) Broker's fees and real estate commissions on the sale only but not in excess of rates generally charged in the locality (i.e., no bonus percentages or incentive fees are reimbursable).
- (11) Title Insurance on sale of house.

Since closing costs vary, if you have a question on whether an item can be reimbursed, please contact the person listed on the cover sheet.

Expenses for the sale and purchase of residences must be listed on employee application for reimbursement of expenses incurred upon sale or purchase (or both) of residence upon change of official station (form CD-371). The form must be signed by the approving official. The form, closing papers and receipts must be attached to the travel voucher.

b. Residence Transactions Reimbursement Limitations for Employees Whose Effective Date of Transfer is on or After March 22, 1997.

(1) Sale: 10 percent of actual sale price.

(2) Purchase: 5 percent of the purchase price.

c. Lease Breaking Expenses.

Reimbursement of expenses may be authorized under the following conditions:

(1) Local or state laws provide for payment of lease breaking expenses.

(2) Terms of lease provide for payment (copy of lease agreement required).

(3) Evidence of payment is required (receipt or canceled check).

(4) Expenses cannot be avoided by subleasing.
Employee must give prompt notice of lease termination in accordance with leasing agreement.

10. TRAVEL ADVANCES

a. Travel advances may be allowed to cover the cost of subsistence expenses while occupying temporary quarters, transportation, and storage of household goods if payment is not being made by a Government Bill of Lading (GBL).

- b. No advance of funds is authorized for real estate or miscellaneous expenses.

11. RECEIPTS

Receipts will be required to support reimbursement on the travel voucher for the following items:

- a. For all lodging expenses.

Receipts are required on the following items only if they are for more than \$75.

- b. Meals consumed while occupying temporary quarters (if the employee is claiming more than 45 percent for meals and incidental expenses).
- c. Laundry and dry cleaning expenses except when a coin operated machine is used.
- d. Airline tickets if travel was by common carrier.
- e. Rental car and gasoline if used on a house-hunting trip.
- f. For real estate costs or unexpired leases, a copy of:
 - (1) Purchase agreement
 - (2) Sales agreement
 - (3) Loan closing statements
 - (4) Invoices or receipts for bills paid
 - (5) Lease agreement when claiming lease breaking expenses.
- g. If household goods are not shipped by Government Bill of Lading:
 - (1) Receipts for rental truck, etc.

- (2) Receipts for gasoline
 - (3) Receipts for any other expenses in connection with the shipment.
 - (4) Weight certificates.
- h. for Miscellaneous Expense claims in excess of \$350 or \$700, receipts are needed for the entire amount.

12. REIMBURSEMENT VOUCHERS

- a. Reimbursement vouchers should be filed within 5 days after each segment of the relocation is completed and after each 30 days of temporary quarters. Applicable taxes will be withheld as required when vouchers are processed. These taxes include Federal, FICA, Medicare and state. Your reimbursement will be made by electronic fund transfer directly to your bank account. Please fill out the attached CAMS Payment Profile Form and return it to your ASC Financial Management Division. **NO PAYMENT CAN BE MADE TO YOU UNTIL YOU RETURN THIS FORM. Complete and return to your ASC, a CAMS Payment Profile Form each time you change your bank. A delay in sending the form could result in a delayed payment or a payment sent to the wrong bank.**
- b. Withholding Tax Allowance (WTA) will be calculated as each relocation voucher is processed. The WTA will be paid to offset the 28 percent Federal tax withholding (not State withholding). This part of the process is automatic, requiring no action on the employee's part. You will receive a summary on Form CD-373, Change of Station Allowances and Taxes Withheld, for each voucher processed. This statement will include the amount of WTA that was added to the voucher. The WTA is an estimated partial payment of the Relocation Income Tax Allowance (RITA).
- c. At the beginning of the year (between January 1 and May 15) **after** the tax year in which you were reimbursed for relocation expenses, you **must** file a claim for the RITA. (Note: you will receive a package from your

servicing ASC Finance Office.) The RITA calculation will apply the estimated partial (WTA) payment(s) made and result in a final determination of the amount due the employee for a specific tax year. **In some cases, the estimated partial payment(s) (the WTA(s)) may exceed the Relocation Income Tax Allowance, and the employee will be required to reimburse the agency for the difference.** Claims for RITA should be filed by May 15 of the year following the calendar year (tax year) in which the relocation voucher(s) was paid. If a claim for the RITA is not filed by the due date, action will be taken to collect the total WTA (partial) payment(s) previously made to you. Please contact the Servicing ASC Finance Office for additional RITA information and/or any questions.

- d. NOTE: A delay in processing of PCS reimbursement vouchers may occur if vouchers are not submitted to a single point (MSC/ASC). Any and all vouchers for a PCS move will need to be sent to the site (MSC/ASC) of the first voucher. The first voucher is to be sent to the servicing site the employee is relocating to (e.g., if employee is moving from Washington, D.C. to Fort Worth, Texas, vouchers should be submitted to the Mountain Administrative Support Center (MASC). (MASC provides administrative services to Fort Worth.)

THIRD PARTY RELOCATION SERVICES

Department of Commerce is a mandatory user of the contract for Government-wide relocation services issued by the General Services Administration.

The contract provides a basic package of relocation services for transferring employees, consisting of: (1) Home Sales Service; (2) Home Marketing Assistance in conjunction with Home Sales Service (no cost); (3) Home Finding Assistance (no cost); and (4) Mortgage Counseling (no cost).

The Department has given each bureau the option to participate/not participate in the home sale service portion of the program. If your bureau opted not to participate in the home sale service portion, you are eligible for the free services only. The free services are: (1) home finding assistance; and (2) mortgage counseling. If your bureau opted to participate in the home sale service portion, you may participate in the home sale service and the free services mentioned above.

For employees who are eligible for home-sales service, the following Department of Commerce regulations apply:

- (1) The employee must market his/her home for a 60-day period before entering the home-sale service portion of the contract. The 60-day marketing period must begin after the employee has officially accepted the job. The 60-day marketing period begins with the date on the listing agreement or proof of advertising, such as a newspaper advertisement.
- (2) Even though the employee will be allowed to enter the home-sales service portion of the contract on the 60th day, the employee must continue to market the home an additional 30 days before accepting an offer from the Third Party Relocation Contractor. If the employee receives an outside offer between the 60th and 90th day, the employee should sell the home under the direct-reimbursement method as authorized in the

Federal Travel Regulations (FTR) Part 302-6. The employee must notify the Relocation Service Coordinator (see name and telephone number on the cover sheet of this package) that he/she has received the offer. The Coordinator will notify the Contractor to place the home-sale services on hold. If the offer does not close, the Coordinator will notify the Contractor to proceed with the home-sale service. If the employee is able to close on the offer, the employee must notify the Coordinator. The Coordinator will cancel the home-sale service. (PLEASE NOTE THAT THE EMPLOYEE MUST MARKET THE HOME 90 DAYS BEFORE ACCEPTING AN OFFER FROM THE THIRD PARTY CONTRACTOR. BY ENTERING THE EMPLOYEE INTO THE PROGRAM ON THE 60TH DAY, THIS ALLOWS THE RELOCATION COMPANY TO OBTAIN APPRAISALS AND COMPLETE OTHER REQUIREMENTS BETWEEN THE 60TH AND 90TH DAY SO AN OFFER CAN BE MADE SHORTLY AFTER THE 90-DAY MARKETING PERIOD HAS EXPIRED). In cases of extreme hardship, the head of the bureau/operating unit or his/her designee has the authority to waive the 90-day waiting period.

- (3) The portion of a fee for any residence whose appraised, amended value or amended from zero sale price is above \$300,000.00 is the responsibility of the employee. The fee will either be deducted from the employee's equity or be paid by the employee at settlement.

This policy also supplements the terms and conditions established under the contract issued by the General Services Administration (see Federal Supply Schedule, Industrial Group 653 - Nationwide Government Employee Relocation Services).

1. **ELIGIBILITY**

- a. An employee must meet the following conditions to be eligible for third party relocation contractor services:
 - (1) The employee's transfer from one official station to another is determined to be in the interest of the Government and is not primarily for the convenience or benefit of the employee or at the employee's request.

- (2) The settlement date for the sale transaction for which the relocation services are rendered is not later than 2 years after the date that the employee reported for duty at the new official station. Upon an employee's written request because of extenuating circumstances, the 2-year time limitation for completion of the sale transaction may be extended by 1 year. This extension must be approved by the operating unit or Departmental office head or his/her designee.
- b. The following employees are **not** eligible for third party relocation contractor services:
 - (1) New appointees, including new appointees to shortage category positions, new appointees to the Senior Executive Service positions and Presidential appointees.
 - (2) Employees assigned under the Government Employees Training Act.
 - (3) Employees assigned or transferred to a post of duty in a foreign area and are returned to former non-foreign area official station (see page 6-2 of FTR, Chapter 302-6 which defines "former non-foreign area official duty station).
 - (4) Foreign Service Officers and members of the National Oceanic and Atmospheric Administration (NOAA) Corps.
- c. Homes that are uninsurable, homes that contain urea formaldehyde foam insulation, mobile homes, cooperatives, and houseboats are not covered under this program.

2. TRAVEL ORDER

The Travel Order must be amended to authorize third party relocation services.

3. RELOCATION SERVICES

a. Home Sale Service.

- (1) If you are accepting third party relocation services and listing your house, the listing agreement must contain an exclusion clause (copy attached). (This clause should be contained in the agreement, not attached to it.) Contact your servicing ASC for details on completing the exclusion clause.
- (2) The relocation company will make an offer to purchase the employee's residence for its fair market value as determined by independent appraisals. Appraisals are to be made on the property in an "as is" condition. Appraisals shall be conducted according to the Employee Relocation Council (ERC) appraisal form. The appraiser shall use a market time of 120 days (list to sell) or the average time for the particular area (list to sell) in the past 6 months, whichever is greater. The employee has up to 60 days to accept the offer. The employee should continue to independently market the home during the acceptance period. If the employee receives an offer after the 90-day marketing period, he/she has the option of taking the offer to the third party relocation company or closing on his/her own. If the employee intends to take the offer to the relocation company, the employee must not sign anything or accept any money. If the employee signs a sales contract or accepts any money, the employee is automatically out of the program and cannot re-enter the home-sales service portion of the program even if the offer fails to close. If the employee takes the offer to the relocation company, the company will review the offer to determine the firmness of the offer. Based on the findings, the relocation company may amend the appraised value offer to reflect the value of the offer from the outside buyer. If the employee rejects the offer or does not take the offer to the relocation company, the employee may

request direct real-estate reimbursement under the Federal Travel Regulations (FTR) Part 302-6. The employee will not be reimbursed for any charges (inspection fees, appraisal fees, etc.) that duplicate fees paid to the relocation company.

The advantages of turning a potential buyer over to the contractor are: (1) equity in home is received shortly after acceptance by the contractor, without having to wait until closing; (2) no travel voucher is filed for reimbursement of closing costs--the contractor pays the closing costs; (3) the contractor is paid by your servicing ASC/FSD; (4) you are relieved of the concern about a buyer backing out of the offer to purchase your home--that becomes the responsibility of the contractor.

During the acceptance period, the contractor may advance up to 75 percent of that transferee's estimated equity, based on the appraised value offer, if the employee requests such advance for the purpose of purchasing a home at the new duty station.

The equity advance may be secured by a second deed of trust or other security which the contractor deems satisfactory. In the event that the employee does not accept the contractor's appraised value offer, the contractor may use normal legal recourse if the employee fails to repay amounts advanced. Furthermore, in the event that the employee does not accept the contractor's appraised value offer, the contractor may charge the employee a \$125 administrative fee. The Government shall not accept responsibility for repayment of the amount advanced and the contractor shall have no legal recourse against the Government if the employee fails to pay the amounts advanced.

The equity advance shall be deducted from the employee's equity upon the contractor's acquisition of the property. The contractor's

cost of money or any other administrative charges will not be charged to the employee or to the Government.

b. Home Marketing Assistance in conjunction with home sale service (No Cost, At Employee's Option).

The relocation company will aid the transferring employee in selecting a real estate broker, establishing a realistic price and marketing strategy, and coordinate the broker's marketing efforts with the company's home sale service.

c. Home Finding Assistance (No Cost, At Employee's Option).

The relocation company will provide individual counseling services to familiarize the transferring employee with the real estate market (including rental properties), schools, taxes, commuting, community life, etc., at the new duty station. Similar services are also available from other local firms at **no cost** to the employee or the Government.

d. Mortgage Counseling (No Cost, At Employee's Option).

The relocation company will provide information on the type and availability of mortgage financing and qualification requirements. Similar services are available at no cost to the Government from private companies offering mortgage programs with application and processing over the telephone and through the mail.

NOTE: Employees are cautioned not to incur any expenses or enter into any agreements until a CD-29, Travel Order, is properly approved.

We hope this general information is helpful. For further assistance and advice, you may contact the person listed on the cover sheet or the person authorizing the travel in your bureau. All questions on Third Party Relocation Services should be directed to the person listed on the cover sheet.

LISTING ADDENDUM
(EXCLUSION CLAUSE)

This Addendum to be part of Listing Agreement for the sale of:

Property Address

The Listing Agreement is subject to the following provisions. It is understood and agreed, and that regardless of whether or not an offer is presented by a ready, willing and able buyer:

1. No commission or compensation shall be earned by, or due and payable to, broker until the sale of the property has been consummated between seller and buyer, the deed delivered to the buyer and the purchase price delivered to the seller.

The sellers reserve the right to sell the property to Cendant Mobility Services at any time. Upon the execution by Cendant Mobility Services and me (us) of an agreement of sale with respect to the property, this listing agreement shall immediately terminate without obligation on my (our) part or on the part of Cendant Mobility Services either pay a commission or to continue this listing.

LISTING FIRM:

SELLER

SELLER

DATE

DATE

BROKER/AGENT

